

Final Lessons Learned –January to March 2000

Independent Review Lessons Learned:

OSD has asked that the services collect Lessons Learned in five categories:

- Performance Work Statement (PWS) Development Phase
- Management Plan Development Phase
- Solicitation and Source Selection Phase
- Cost Comparison and Administrative Appeal Phase
- Implementation and Transition Phase

The following Lessons Learned have been developed from the Navy Independent Review Process during the period January to March 2000 arranged by these categories.

Independent Review Administrative Requirements

1. The following documentation required for an independent review is listed in the "Guide for Reviewing Cost Estimates Prepared Under the Commercial Activities Program" Section B. paragraph 4.

CNO approval to conduct a cost study
CNO approval to exclude part of function studied
CERTIFIED CONTRACTIBLE PWS
MANAGEMENT PLAN CERTIFIED AS REFLECTING THE GOVERNMENT'S
MEO and conforming
to CA Program Guidance
COST COMPARISON FORM
POSITION DESCRIPTIONS SUPPORTING THE MEO

To allow the review to proceed expeditiously, this information should be provided to the review team in a printed format, with all changes and amendments.

Performance Work Statement (PWS) Development Phase

2. Questions by the interested contractors about the solicitation often point out ambiguities in the PWS that require correction. If the solicitation is changed, the changes should be addressed in the Management Plan to insure the MEO addresses the corrected solicitation.

Management Plan Development Phase

3. CA teams often complain about the time required to get requested support from HRO's and HRSC's. Teams should work with the HRO/HRSC to develop a realistic timeline of actions that the HR organization can support.
4. Quality Control Plans are not effectively incorporated into the Management Plan.
 - a. Management Plans often do not include a quality control plan that addresses the specifics of the inspections required in the Performance Requirements Summary.
 - b. Management Plans often do not include the FTEs necessary to do the inspections and inspection reports required in the Quality Control Plan.
5. Management Plans often do not address the reports required in the PWS to document the work outputs.
6. CA teams often do not address the entire solicitation in the Management Plan; even though they address the Performance Work Statement. Instead of only addressing the PWS (Section C of the solicitation) the CA Teams should develop the management plans with the entire solicitation (Sections A-M) in mind. In doing so, the MEO and Contractor are addressing the same criteria for evaluation.
7. If the solicitation addresses key personnel, the MEO must satisfy the specifications in the solicitation.
8. Positions descriptions, (classified by HR) are required for the Contract Administrators who will support the contract.
9. Bid schedules in the solicitation should not require the Service Provider to price a Transition Period. If this is necessary, it must also be addressed in the COMPARE model.
10. When the solicitation requires written answers to scenarios, the Management Plan should include the scenarios.
11. When changes are made to the Management Plan, the Activity Commander must recertify the Management Plan prior to the IRO's approval.
12. Questions by the interested contractors about the solicitation often point out ambiguities in the PWS that require correction. If the solicitation is changed, the changes should be addressed in the Management Plan to insure the MEO can to perform the corrected solicitation.

Solicitation and Source Selection Phase

13. A common error in the solicitation is that the Performance Requirement Summary fails to include acceptable quality levels that can be met by the Government, contractor or ISSA.

14. Downloading the solicitation and printing it at another site often reveals formatting errors that are not apparent to the activity, which produced the document and checked it by downloading it from the LAN.

Cost Comparison and Administrative Appeal Phase

15. One time conversion costs, COMPARE line 12, are a source of confusion to many CA teams. The pamphlet, "Competitive Sourcing Human Resources Guide" printed by the Deputy Assistant Secretary of the Navy (CP/EEO), dated April 1999, contains a MODEL FOR PERSONNEL COSTS AND ONE-TIME CONVERSION COST in Appendix F. The Human Resources Guide provides specific figures in an attempt to explain how to calculate the conversion costs. These specific figures used in the example are not supposed to be used throughout the Navy. CA teams have made errors by copying the numbers and percentages in the model rather than calculating figures that are specific to their location.

16. The lack of historical data regarding one-time conversion cost is a problem for activities. When no historical data exists, a reasonable estimate needs to be calculated, which considers the elements that make up a relocation payment, e.g. moving cost, mileage, allowance for breaking lease and starting new lease, allowance for temporary quarters, etc. These costs must be local to the activity and within the Priority Placement Program area. Additionally, if relocation is anticipated for more than 10% of the affected personnel, OPNAV N465 must approve those costs as required by OPNAVINST 4860.7C Part II Chapter 3.E.3.a.

17. Demonstration Projects and all other sorts of pay banding issues are covered by the same general guidance which was approved by OMB and Navy M&RA: See OPNAVINST 4860.7C Part II CH 2.B.2 last sentence: "Express salary/step for pay banded or demonstration project employees at the mid-grade or mid-band level.

18. Voluntary Separation Incentive Program (VSIP) and Voluntary Early Retirement Authority (VERA) are voluntary programs. Costs associated with this program are not included in an A-76 cost comparison. The reference is: OPNAVINST 4860.7C Part II Chapter 3 (Cost of Contract Performance). E (One-Time Conversion). 3(Labor Related Costs).e. "Separation Incentive Pay will not be included as a cost."